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CIA Data Belie Oil Lobby and DOE

Whenever something appears in print that is less than reverent about Big Oil, its mouthpiece, the American Petroleum Institute, can be counted on to squeal like a stuck pig.

These piteous squeals have never bothered me. A columnist is known by the enemies he makes, and I'm proud to be on the "enemies list" of the greediest gougers of the 20th Century. But it would be nice if the API occasionally larded its porcine polemics with a few facts.

Last October, I revealed the contents of a CIA report which showed that the Carter administration has deliberately lied to the American public about the cause of last year's gasoline shortage.

President Carter and then-Energy Secretary James Schlesinger repeatedly blamed the troublesome gas lines on the Iranian revolution, which they said had caused a drop in overall world oil production of some 2 million barrels a day and a significant drop in U.S. petroleum imports.

But the CIA report made clear what Carter and Schlesinger knew — that both world production and U.S. imports were in fact greater than the year before. The oil companies knew this too, course, but were apparently too busy counting the profits from the artificial shortage to bother correcting the administration's lie.

The API tried to shoot holes in my column, with a two-page diatribe sent to editors of the nearly 1,000 newspapers that run this column. Interestingly, the letter failed to address the only fact that might have embarrassed the oil industry — the strange circumstance that U.S. oil production

was 150,000 barrels a day *lower* than the year before.

Instead, the API attacked peripheral issues. First, it claimed the CIA report was not secret, but was "circulated in various Washington offices, including non-government offices." Well, my associate Dale Van Atta was told by at least half a dozen government officials that the report was not available to press or public. He finally found someone who agreed to leak it. Maybe he should have asked the API, which apparently has no trouble obtaining CIA reports.

Then the API tried to pooh-pooh the figures in the CIA document, claiming that in fact the API itself had published them week by week. This is simply not true: the API's figures were estimated, and unreliable; the CIA's figures were verified facts, which is what made them worth reporting.

More to the point, the Energy Department was also using unreliable figures, with the result that its predictions of a drop in world oil production turned out to be all wet. In admitting this, the DOE's top statistician, Lincoln Moses, wrote his boss a *mea culpa* last spring citing CIA figures as proof of his error.

"I was wrong about world oil production," his memo stated. "which these (CIA) figures show to be above January and February of 1978."

I've waited to reply to the API attack because I knew a House subcommittee was preparing a report on the oil gouge. It was released last week and completely supports my October column.

Part of the committee's report was the conclusion that DOE deliberately withheld significant information about a substantial February increase in oil imports from the Congress and the public because, in the words of one official, "it would have been embarrassing."

The report added that DOE knew its predictions about a drop in world oil production were false, and was alarmed when figures began appearing to prove it. "When the discrepancy could not be resolved," the House report said, "no attempt was made to reveal the new data, or suggest DOE-published data might have been inaccurate."

Which is just what I wrote in October. Squeal on, API.